



JOE L. ALLBRITTON

STATEMENT BY JOE L. ALLBRITTON

Some four years ago Mrs. Allbritton and I came to Washington with the stated purpose of keeping the Nation's Capital a competitive, two-newspaper city. With the purchase of The Washington Star by Time Incorporated and considering the superb quality of The Washington Star, we feel our original purpose has been accomplished. The Federal Communications Commission, which granted us the license to operate Channel 7, has adopted rules that would require a decision on my part as to whether or not I will continue as a licensee of Channel 7 or as publisher of The Washington Star. I have always been in total compliance with the FCC rules and do not intend to be in noncompliance. I, therefore, have decided, effective at the end of this business day and with the consent of Time Incorporated, to resign as publisher and chief executive officer and director of The Washington Star.

I should like to take this opportunity to thank the citizens of the greater Washington area and the responsible government officials for the support given to us. I especially want to thank my friends and associates at The Washington Star. It was through their maximum effort that The Star is and will continue to be an attractive and viable product.

I leave as publisher with personal regrets, of course, but with full pride in what all of us have been able to accomplish here at The Star.

Allbritton Resigns As Publisher of The Washington Star

By John Holusha

Washington Star Staff Writer

Joe L. Allbritton announced his resignation today as publisher of The Washington Star.

Allbritton said he was taking the action to stay in compliance with Federal Communications Commission rules on cross ownership of newspapers and broadcast stations in the same market. Allbritton owns WJLA, Channel 7.

Allbritton has served as publisher of The Star since he sold it to Time in February. At the time Allbritton said he had previously planned to retain ownership of the newspaper and sell WJLA. However, he said an FCC ruling left a cloud over the status of the television station.

ALLBRITTON SAID in a statement the FCC "has adopted rules that would require a decision on my part as to whether or not I will continue as a licensee of Channel 7 or as publisher of The Washington Star."

At a press conference today, Allbritton explained the timing of his move by pointing out that the application to renew WJLA's license is due tomorrow. "I wanted a clean, spotless slate for the filing," he explained.

He described the outlook for the newspaper as "superb. The republic's capital is now safe with two newspapers."

He said The Star is currently profitable, but declined to predict the results for the year.

A spokesman for Time Inc., which owns The Star, said James R. Shepley, chairman of the newspaper and president of Time "is in overall charge" of the newspaper. Donald M. Wilson, vice president for corporate and public affairs at Time, said, "I'm sure there will be a publisher, but I'm not sure who it will be at this time."

Allbritton attributed a recent decline in circulation to inattention on his part. He said that there is "a certain optimum circulation for an afternoon newspaper" and that the circulation figures had begun to climb again.

He said that circulation would be about 350,000 a day by September. By next year, he added, circulation should be up to 375,000, which he characterized as the optimum level.

ALLBRITTON AGREED with suggestions that he had approximately doubled his \$65 million investment in the newspaper and its broadcast properties.

"I'm not at all unhappy with the financial arrangements," he commented.

He described that original purchase as a "fair and adequate offer" and noted that the rapid increase in the value of the properties came after ABC surged to the top of the television ratings and the losses at the newspaper were stemmed.

However, he said the newspaper is "not getting the advertising support this superb product merits." He said The Star has about 30 percent of the advertising in the Washington market and said that "it really should be 44 percent to be fair."

"I'd like to urge the advertisers to give it another look," he said.

Allbritton said his decision to resign was made yesterday on the advice of his lawyers.

Time spokesman Wilson said the resignation "came earlier than, let's say, we had hoped." He said it was no surprise, adding that "we always knew it was a possibility that Mr. Allbritton would have to leave because of the television problem. We regret it very much. . . . He is a very able person and we were delighted to get him as publisher and we're sorry to see him go."

DURING HIS less than four months as an employee of Time, Allbritton said he had never drawn a salary. "I just never signed up to draw a pay check. I just don't think about things like that."

With his resignation as publisher, he ends a four-year association with the newspaper that began as a limited investment.

In July 1974 Allbritton bought a minority interest in The Star's parent company, Washington Star Communications, and gained complete control of the newspaper's operations.

At the time the newspaper was in financial difficulty, with losses mounting to as much as \$1 million in some months.